TESTING FOR SEXUAL DISCRIMINATION
IN THE LABOUR MARKET

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I. INTRODUCTION

The technique of acquiring information to test economic hypothesis by posing as a market transactor has existed for many years. Jung (1960, 1961, 1962, 1963) used the procedure of posing as a prospective purchaser to obtain information about the pricing behaviour of sellers of cars, mobile homes, instalment credit and home-remodelling, in a series of articles published in the Journal of Business. However, it has been rare for this experimental technique to be applied in the labour market. A noteworthy innovation was made by Jowell and Prescott-Clarke (1970). They devised the technique of “correspondence testing” as a method for assessing the incidence of racial discrimination in the British labour market. This technique involved sending carefully matched pairs of written job applications in response to advertised vacancies. One letter purported to be from a white British applicant and the other purported to be from a coloured immigrant. The same method was used subsequently by McIntosh and Smith (1974) in an investigation published by the British research organisation Political and Economic Planning. They were also concerned with testing the extent of racial discrimination in the British labour market.

What we have done is to use this experimental technique to gain some insight into the extent of sexual discrimination in the labour market; taking Victoria as our geographical area of study. Equal employment opportunity legislation was first passed by the State

* A project such as this involved the cooperation of many people. Keith Fpearson, Bill Mitchell and Martin Watts provided traditional academic advice and commentary. Stewart Joy, Esther Kelley, Doris Riach, Ann Silver and Howard Silver provided assistance and/or advice in the construction and conduct of the experiment. Philippa Guerens, Franca Goodwin and Anne McLeod bore the brunt of the word-processing. Rufus Davis, Ross Parish, Alan Roberts and David Smith provided generous support when the Dean of our Faculty refused to authorize our application for research funding. Responsibility for the experiment and the interpretation presented in this article rests solely with the authors.
Parliament in 1977. It provided for the establishment of an Equal Opportunity Board and, amongst other things, made it unlawful to discriminate on the basis of sex when hiring labour. Complementary legislation was enacted by the Commonwealth Parliament in 1984.

II. CORRESPONDENCE TESTING

The precise nature of our technique was as follows. Two standard letters of application were sent in response to job advertisements. In order to avoid detection they obviously could not be identical, but in all essential job characteristics, such as age, qualifications and experience, candidates were carefully matched, so that the only effective distinguishing characteristic was sex. To control for the possibility that the style of a particular letter might influence employer response, letter-type was alternated regularly, and allocated equally between the sexes; i.e. if one hundred applications were made, then on fifty occasions the female would be allotted letter A and the male letter B. On the other fifty occasions this would be reversed and the male would get letter A. If both male and female were invited to job interview this was treated as a case of no discrimination, or “equal treatment”. If only one applicant was invited to interview this was treated as a case of discrimination. Where neither applicant was invited to interview this was treated as a non-observation, as it tells us nothing about an employer’s use of sex as a screening device. Instead, it may simply indicate that a short-list was determined before our applications arrived, or that several other superior applications were received, or that the employer was not prepared to short-list applicants who had not included a contact telephone number. In which case, the employer’s penchant for discriminating on the basis of sex would have been put to the test only if our applications had arrived earlier, contained qualifications and experience of a different nature, or included contact telephone numbers. (McIntosh and Smith, 1974, p. 24.)

The advantages of “correspondence testing” are that it is possible to exercise precise control over the content of applications; to ensure that all relevant characteristics other than sex are carefully matched; to ensure, by reversal of letter-type, that no unintended bias is introduced by any stylistic difference which is present to minimize the possibility of detection; and to demonstrate the controlled and objective nature of this procedure to the reader. The disadvantage is that it only tests for discrimination in labour-hiring at the initial stage of selection for interview. Some employers may delay their discriminatory activity until the interview, and in the final choice from amongst the interviewed short-list. Thus correspondence testing does not measure the full extent of discrimination in the hiring decision, but, on the other hand, it does highlight one quite decisive form of discrimination — that of denying the applicant the chance even to compete for a job.

Discrimination may arise from the statistical characteristics of a particular group — e.g. where there are fixed costs in hiring labour, an identifiable group with a lower than average turnover rate will be preferred, on rational cost-minimising grounds, when the hiring decision is being made. On the other hand, in some cases discrimination may arise from prejudice, either on the employer’s own part or from her/his response to the perceived attitudes of customers and /or employees. This study does not distinguish between these two possible sources of discrimination. It merely sets out to investigate whether employers exhibit any preference for an applicant’s sex per se when making the selection for job interview.
The occupations chosen for the study were those for which written applications were required, and in which advertised vacancies arose at a steady rate. Also, we eschewed occupations where licensing or legal registration is required. Unfortunately there was only one manual occupation with a regular flow of vacancies which usually specified written application. This outcome is consistent with the studies of Jowell and Prescott-Clarke (1979) and McIntosh and Smith (1974) who confined their correspondence-testing to non-manual occupations. The occupations chosen initially were — computer analyst-programmer, computer operator, computer programmer, financial accountant, gardener, industrial relations officer, kindergarten teacher, management accountant, and payroll clerk. Computer analyst-programmer and computer programmer are clearly distinguished in newspaper advertisements, both in designation of title and in job content. It was, therefore, the newspaper specification which determined our classification of job vacancies in these two occupations. Financial accountant and kindergarten teacher were eliminated early in the study, because of the very high rate at which both applicants were rejected for interview. The sexual distribution of the labour force in five of the occupations retained in the study is presented in Table I.

**Table I**

*Female Representation in the Victorian Labour Force, 1981*  

<table>
<thead>
<tr>
<th>Occupation</th>
<th>Per Cent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accountant/Auditors</td>
<td>9.3</td>
</tr>
<tr>
<td>Computer Programmer</td>
<td>22.6</td>
</tr>
<tr>
<td>Gardeners/Nurseryworkers/Groundsmen</td>
<td>12.6</td>
</tr>
<tr>
<td>Non-government clerical workers</td>
<td>67.8</td>
</tr>
</tbody>
</table>


*Note:* The classification computer programmer includes also analyst-programmer. Paymaster is included within the classification — "non-government clerical workers, n.e.c.". Two of our occupations — computer operator and industrial relations officer — were not classified separately, as such, in the census.

It was desirable to pursue applications until a statistically significant number of invitations to interview was obtained for each occupation, but there was also a need to impose a time limit, so that there could be confidence that labour market conditions were reasonably uniform during the study. Therefore three years was specified as the period for correspondence testing and applications for the seven occupations were to continue throughout that period, unless, in any one occupation, positive responses were received from one hundred employers prior to the elapse of three years. The period involved was November 1983 to November 1986 and in one occupation, management accountant, the
target of one hundred was reached by February 1986. The upper and lower limits of the
unemployment rate in Victoria during these three years were 9.6 per cent and 5.8 per cent,
but for 31 of those 36 months the rate fell within the more confined range of 6.0 to 8.5 per
cent.

The sole source of job advertisements was the daily, morning newspaper *The Age*, which
has a very large classified advertisement section on Saturday, typically carrying 30,000 job
advertisements.

All vacancies in the seven occupations, which were advertised in *The Age*, were applied
for, unless a telephone application or personal attendance was specified, or unless the
vacancy was being handled by a personnel recruitment agency. We also excluded a vacancy
from our study if we had previously made an application for that same occupation to the
employer now advertising. In addition we placed a limit of two applications in total which
would be made to any employer. This was to reduce the risk of detection and to minimize
any inconvenience to employers.

Two standard letters were devised for each occupation, and an example is included in the
Appendix. In these letters the marital status of the two applicants was always identical and
their age varied by one year. The level of qualifications and the extent of work experience
were carefully matched, but, to avoid detection, names of educational institutions and
employers were eschewed. Instead general statements were made, such as — "I am a fully-
qualified accountant with a university degree"; "I am an economics graduate with major
studies in industrial relations and labour economics"; "Currently I am working for a large
retailer but I have also worked for a firm in the plastics industry and for a medium-sized
home-builder"; "I spent four years with a municipal council ... More recently I have
been working for a golf club." Effectively, the applicants were identical in all but sex, which
was identified by the name given the applicant, and, in the case of the female, by the title
Miss or Mrs. For each of the occupations two standard names were devised and used
throughout the study. The standardized letters were held on word processor disks and each
week all that was necessary was to fill in names of advertisers, dates of advertisements,
applicants' names and the marital status of the male to match the female's title. Four
Melbourne addresses were used for the applicants and they were in comparable socio-
economic areas of the city. Applications were always posted simultaneously in the same
mail box to ensure that they would arrive at the advertiser's address on the same day, and
always within a week of the advertisement first appearing.

When an invitation to job interview was received by letter or telegram, a telephone call
was made early the following day declining the invitation, so as to minimise any incon-
venience to the employer. Correspondence testing imposes on the employer, briefly, a non-
genuine transactor in a manner which is not infrequent in the labour market, as
participants carry out the process of search and the acquiring of bargaining chips for
negotiations with current and prospective employers. The justification for this minor act of
deception is that it is the only effective way of discovering how employers actually do
behave in practice, as distinct from how they might claim to behave when questioned about
their employment practices. The distinction between actual and claimed behaviour was
dramatically demonstrated over fifty years ago by La Pierre (1934) in a classic study. In an
extensive trip through the USA with a Chinese couple, admittance was gained to all except

1 Copies of the standard letters for all seven occupations are available from the authors on request.
one of 251 hotels and restaurants approached, whereas, in response to questionnaires sent six months later to the same establishments, over 90 per cent replied that they would not accept Chinese guests. Employers’ replies have been kept strictly confidential to the authors of this paper.

III. The Results

The results of the correspondence-testing are set out Table II. Column 4 shows the number of occasions when one or both applicants received an invitation to interview. This number is divided into three categories: both invited to interview — column 5; only the male invited to interview — column 6; only the female invited to interview — column 7. Columns 8 and 9 record the distribution of letter-type on occasions of discrimination; e.g. in management accounting there were twenty eight occasions of discrimination and on fifteen occasions it was the sender of letter A who was preferred; whilst on the other thirteen occasions it was the sender of B who was preferred. In the vast majority of cases, where neither, or only one applicant was invited for interview, letters of rejection were received, but in a minority of cases no reply was received. Therefore columns 3, 6 and 7 include “failure to reply” as well as “formal rejections”. We defined discrimination as “differential treatment” of applicants. In almost all cases this involved the invitation to interview of one applicant whilst the other was rejected, but occasionally it involved a difference in the timing of an invitation to interview. Where there was a delay in the issue of an invitation to one of the applicants, this was interpreted as that applicant having been ranked lower in the short-listing process and receiving a second-round offer of an interview, subsequent to the withdrawal of a candidate or candidates from the first round. If an invitation to one of our applicants was clearly issued subsequent to the withdrawal of our other applicant, or where the letters or telegrams requesting attendance at an interview were dated two or more days apart, it was classified as a case of “differential treatment”. Columns 6 and 7 include all cases of “differential treatment”.

The total number of occasions when one or both applicants were invited to interview was 507, and 144, or 28.4 per cent, of these occasions involved “differential treatment”. The rate at which female applicants encountered discrimination was 40 per cent higher than the male rate: females were discriminated against on 16.6 per cent of our occasions, whilst the male rate was 11.8 per cent. We have applied a chi-square test to these results, to determine whether there is a significant association between sex and encountering discrimination when applying for employment in this group of occupations covered by our correspondence testing. Calculated chi-square values are given in column 10, and when the results for the seven occupations are combined together a value of 4.66 is obtained. Where there is one degree of freedom the critical value of $\chi^2$ at the .05 level of significance is 3.84. Therefore the probability is less than five per cent that the result is the outcome of chance, and the null hypothesis — that there is no association between sex and invitation to job interview — is rejected. However this aggregate result is, of course, very much the outcome of the group of occupations to which we were constrained by our experimental technique of correspondence testing. For instance, the aggregate result might have been quite different if we had been able to include a greater range of manual occupations in our

2Following Grizzle (1967) and Camilli and Hopkins (1978) the Yates' continuity correction was not used.
<table>
<thead>
<tr>
<th>Occupation</th>
<th>Applications</th>
<th>Neither Invited</th>
<th>Invitation(s) Issued (i.e., 2-3)</th>
<th>Equal Treatment</th>
<th>Discrimination against Female</th>
<th>Discrimination against Male</th>
<th>Letter-Type Only A</th>
<th>Only B</th>
<th>$\chi^2$</th>
</tr>
</thead>
<tbody>
<tr>
<td>Computer analyst-prog.</td>
<td>152</td>
<td>59</td>
<td>93</td>
<td>70</td>
<td>17</td>
<td>6</td>
<td>14</td>
<td>9</td>
<td>6.00</td>
</tr>
<tr>
<td>Per cent</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Computer operator</td>
<td>99</td>
<td>50</td>
<td>49</td>
<td>35</td>
<td>8</td>
<td>6</td>
<td>9</td>
<td>5</td>
<td>0.33</td>
</tr>
<tr>
<td>Per cent</td>
<td></td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Computer programmer</td>
<td>115</td>
<td>44</td>
<td>71</td>
<td>53</td>
<td>7</td>
<td>11</td>
<td>7</td>
<td>11</td>
<td>1.12</td>
</tr>
<tr>
<td>Per cent</td>
<td></td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gardener</td>
<td>148</td>
<td>86</td>
<td>62</td>
<td>42</td>
<td>15</td>
<td>5</td>
<td>10</td>
<td>10</td>
<td>5.96</td>
</tr>
<tr>
<td>Per cent</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<td></td>
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<td>Occupation</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
<td>6</td>
<td>7</td>
<td>8</td>
<td>9</td>
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<td>-----</td>
</tr>
<tr>
<td>Industrial relations offic.</td>
<td>94</td>
<td>56</td>
<td>38</td>
<td>26</td>
<td>5</td>
<td>7</td>
<td>6</td>
<td>6</td>
<td></td>
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<tr>
<td>Per cent</td>
<td></td>
<td></td>
<td></td>
<td>100</td>
<td>68.4</td>
<td>13.2</td>
<td>18.4</td>
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<tr>
<td>Management accountant</td>
<td>211</td>
<td>103</td>
<td>108</td>
<td>80</td>
<td>18</td>
<td>10</td>
<td>15</td>
<td>13</td>
<td></td>
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<tr>
<td>Per cent</td>
<td></td>
<td></td>
<td></td>
<td>100</td>
<td>74.1</td>
<td>16.7</td>
<td>9.2</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Payroll clerk</td>
<td>172</td>
<td>86</td>
<td>86</td>
<td>57</td>
<td>14</td>
<td>15</td>
<td>18</td>
<td>11</td>
<td></td>
</tr>
<tr>
<td>Per cent</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>67.0</td>
<td>16.5</td>
<td>16.5</td>
</tr>
<tr>
<td>TOTAL</td>
<td>991</td>
<td>484</td>
<td>507</td>
<td>363</td>
<td>84</td>
<td>60</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Per cent</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>71.6</td>
<td>16.6</td>
<td>11.8</td>
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</tbody>
</table>
experiment. Therefore, much more meaning attaches to the results for individual occupations, to which we now turn.

There was a considerable degree of variation between occupations in the results obtained. In three occupations — computer operator, industrial relations officer and payroll clerk — cases of discrimination were allocated almost equally between the sexes. In two occupations — computer programmer and management accountant — cases of discrimination were not distributed equally between the sexes, but the chi-square result is not significant at the .05 level and the null hypothesis is not rejected. In the remaining two occupations — computer analyst programmer and gardener — the chi-square value is significant at the .05 level, in which case the null hypothesis is rejected.

The occupations in which discrimination was allocated equally between the sexes, nevertheless had a substantial rate of gross discrimination: in the case of payroll clerk one in three of the occasions, when employers responded positively, involved an invitation to only one of the two applicants. As our letters were closely-matched, this provides some insight into the efficiency with which the labour market selection process operates. One explanation for this finding of gross discrimination may be that some of the people charged with selecting applicants for interview did exercise a conscious preference for one or other sex, but fell into two roughly equal camps. If so, the activities of equal opportunity officers and affirmative action policies aimed at getting women on to interview short-lists could have been responsible for some of the cases of discrimination against males. Alternatively, this gross discrimination may just reflect a high degree of randomness in the process of selection for job interview. Our letters should always have arrived in the same post, therefore, if sex was not the reason for the differential treatment of applicants, it must have been quite a haphazard factor — such as the order in which applications were opened.

The results in gardening and computer analyst-programmer\(^3\) are quite similar, in both cases the calculated chi-square value is significant at the .02 level, and it is worth re-emphasizing the point made in Section II, that correspondence testing does not capture the full extent of the discrimination which may occur in labour-hiring. What it does capture though, is discrimination of an especially decisive and absolute form: the denial to the individual of the opportunity even to present themself in a competitive fashion before an interview panel; the screening-out of applicants at the very outset of the hiring process, because of their sex.

What explanation can be advanced for these two occupations producing a result which is statistically significant, whilst the other five occupations did not? In the case of gardening, there are two characteristics which distinguish it from the other occupations in our study. Firstly, it is the only manual occupation which we were able to include and secondly, it is

\(^3\)Distribution of letter-type was not strictly even in computer analyst-programmer. In the twenty three cases of discrimination, letter A was successful on fourteen occasions and letter B on nine. In the seventeen applications where females encountered discrimination, the male had forwarded letter A on nine occasions and letter B on eight occasions; whilst in the six applications where males encountered discrimination the female had forwarded letter A on five occasions and letter B on one occasion. Therefore, if it were to be argued that letter-type had any influence on our results, it must have been marginally to increase the number of observations of discrimination against males. In which case it does not detract from our conclusion that, on balance, there was significant discrimination against females in this occupation.
the one case where several non-metropolitan job vacancies were involved. When the data for gardening were classified into metropolitan and non-metropolitan categories a 22.4 per cent rate of discrimination against females in the metropolitan area was calculated, in comparison with the overall female discrimination rate of 24.2, which demonstrates that the non-metropolitan jobs had only a minor impact on our overall result. This leaves the manual nature of gardening employment as the most obvious distinguishing characteristic to explain its higher incidence of discrimination against females. Unfortunately, further examination of the proposition that females are more disadvantaged in the area of manual employment would require making applications to occupations which almost invariably require telephone enquiries. The technique of having matched pairs of applicants respond to job advertisements by telephone has been adopted on several occasions: e.g., McIntosh and Smith (1974) and Hubbock and Carter (1980). Unfortunately it lacks the advantages of correspondence testing which were listed above. Obviously it would not be possible to exercise quite the degree of control over the content of applications that is achieved in correspondence testing, and there is inevitably the risk that telephone applicants would vary in their enthusiasm, manner, or some other relevant hiring characteristic. Also, it would not be possible to effect a reversal procedure comparable to that applied in correspondence testing, and consequently one could not demonstrate to a reader that precision of control had been applied during the experiment. For these reasons we decided to confine our testing to the correspondence method, consequently we are unable to explore further the proposition that females active in the Victorian labour market face a greater incidence of discrimination where their job applications are in the area of manual employment. Certainly, manual employment in general, and gardening in particular, has not been a traditionally strong area of employment for women active in the Victorian labour force. In 1981 less than one in seven of the gardeners working in Victoria was female, and our results indicate that the demand side of the labour market bears some of the responsibility for the sexual imbalance in this occupation.

Computer analyst-programmer, in which discrimination against females was also statistically significant, lies at the other end of the socio-economic status table from gardener. Of the occupations in our study, analyst-programmer and management accountant are the most senior in the managerial hierarchy, and if we combine the results for these two occupations we find that the rate of discrimination against females was 17.4 per cent, compared with a male rate of eight per cent. In these two senior jobs women encountered discrimination at more than twice the male rate. Moreover, a chi-square calculation for these two occupations in combination yields a value of 8.11, which is significant at the .005 level; i.e. the probability is less than half of one per cent that the result is due to chance. Therefore we conclude that, towards the top of the managerial hierarchy, there still is significant discrimination against women. Certainly accounting has not traditionally had strong female representation; in 1981 less than one in ten of the accountants employed in Victoria was female. Our study demonstrates that this under-representation of females is, at least, partly attributable to the demand side of the labour market.

It is noteworthy that for computer programmer, which is subordinate in the hierarchy to analyst-programmer, we recorded a higher rate of discrimination against males than we did against females. This result in computer programming was not statistically significant, therefore considerable caution must be exercised in reading too much into it, but it has been traditional in areas as diverse as commerce, education, and health for the higher
status jobs to be bereft of women, whose relative concentration is to be found lower in the employment hierarchy.

When the overall results were classified into the categories of government and non-government employment we found that the discrimination rate against females was 13.1 per cent in the government sector compared with 17.7 per cent in the non-government sector; in the case of males it was 10.7 per cent in the government sector and 12.2 per cent in the non-government sector. In the former category, public utilities and state-funded hospitals and tertiary education institutions were included along with direct government operations at federal, state and local level; the latter category included private non-profit organizations, such as sporting clubs, private schools and charitable institutions, as well as private business enterprises. Given that the Commonwealth Government ratified Convention III (concentrating equality of opportunity in employment) of the International Labour Organization in 1973, and that the Victorian State Parliament enacted equal opportunity legislation in 1977, one might have expected that by 1983-86 discrimination against females in government employment would have been close to zero. Women did encounter discrimination less frequently in government employment, than they did in non-government employment; nevertheless, a rate of 13.1 per cent is surprising, in view of the commitment to equality for women, which is claimed by government. One might also have expected that these affirmative action policies, intended to get women onto interview short-lists in the government sector, would have resulted in a higher rate of discrimination against males in that sector, in comparison with the non-government sector. However, this was not the case; there was very little difference between the two sectors in the discrimination rate against men.

Government-sector discrimination was concentrated in three of our occupations and details are provided in Table III. Some diversity in government sector hiring policy is apparent in that table. In industrial relations, discrimination against men was at the rate of 35.7 per cent, which may indicate the operation of affirmative action policies in the professional area of government employment. However, lower down the socio-economic hierarchy female gardeners and payroll clerks encountered a quite different reception when they applied for government employment: they were discriminated against at a rate of approximately one in six in gardening and one in four in the occupation of payroll clerk. If we combine together the government sector data for these two jobs, which — amongst our seven occupations — lie at the bottom of the socio-economic hierarchy, we find that the rate of discrimination against females was 20.3 per cent, compared with a male rate of 7.2 per cent. Moreover, a chi-square calculation yields a value of 4.94 which is significant at the .05 level, and we reject the null hypothesis — that there is no association between sex and invitation to job interview in these manual and clerical areas of government employment.

In conclusion, our results show that, in the subset of the Victorian labour market where jobs require written applications direct to employers, rather than telephone contact or application to a personnel recruitment agency, women continue to encounter discrimination. We discovered statistically significant discrimination in a manual occupation which has traditionally been dominated by men, and in relatively senior managerial employment where women have only gained a small foothold. In spite of government commitment to equality of employment opportunity, discrimination against women was not confined to the non-government sector. It is time, therefore, to consider the policy implications of our study.
IV. Policy Implications

What policy implications can be drawn from our experimental study of employer practices in selecting candidates for job interview? As noted previously, it has been rare for experimental techniques to be used to obtain information about how employers actually do behave as distinct from how they might claim to behave when questioned about their employment practices.

Table III

*Discrimination in the Government Sector*

<table>
<thead>
<tr>
<th></th>
<th>Gardener</th>
<th>Industrial Relations Officer</th>
<th>Payroll Clerk</th>
</tr>
</thead>
<tbody>
<tr>
<td>Equal treatment per cent</td>
<td>34</td>
<td>8</td>
<td>16</td>
</tr>
<tr>
<td></td>
<td>73.3</td>
<td>57.1</td>
<td>64.0</td>
</tr>
<tr>
<td>Discrimination against female per cent</td>
<td>7</td>
<td>1</td>
<td>7</td>
</tr>
<tr>
<td></td>
<td>15.9</td>
<td>7.1</td>
<td>28.0</td>
</tr>
<tr>
<td>Discrimination against male per cent</td>
<td>3</td>
<td>5</td>
<td>2</td>
</tr>
<tr>
<td></td>
<td>6.8</td>
<td>35.7</td>
<td>8.0</td>
</tr>
<tr>
<td>Total per cent</td>
<td>100</td>
<td>14</td>
<td>25</td>
</tr>
<tr>
<td></td>
<td>99.9</td>
<td>100</td>
<td>100</td>
</tr>
</tbody>
</table>

In cases of discrimination it was usual for the candidate declined an interview to receive a standard letter of rejection simply informing that the application had been unsuccessful, with no explanation offered. But in some cases employers felt a need to explain their decision, which involved them in providing inconsistent replies to the two candidates. For instance in one case in the occupation of gardening, in which neither candidate had claimed any supervisory experience, the male was invited to interview whereas the female was declined because — "I regret that your supervisory experience is less than we require . . .". In another case in the occupation of computer programming, in which both candidates had claimed to be graduates of four years standing, the female was invited to interview whereas the male was declined — " . . . as due to an enforced salary ceiling we are looking for a recent graduate".

It was unusual for an employer to go to these lengths to conceal discriminatory hiring practices, nevertheless in none of these cases of discrimination which we recorded would the role of sex as a screening criterion have been in any way apparent to the rejected applicant. Whilst an unsuccessful job applicant may at times suspect that some personal characteristic, such as sex, was responsible for their failure to be interviewed, given current hiring practices, as exemplified in this study, there is no way in which such a suspicion could be confirmed. It follows that an applicant who has been discriminated against would rarely be in a position to initiate a complaint under the Equal Opportunity Act. Moreover in
some cases, where an application must be addressed to a post office box number, an unsuccessful applicant would not even know by whom he/she had been rejected.

It is uncommon for rejected applicants to be informed whom the successful applicant was, and virtually unknown for details of that person's qualifications and experience to be circulated to unsuccessful candidates. But without such information a rejected applicant is in no position to know, moreover to demonstrate, that a prima facie case of discrimination exists. There are two ways in which the Victorian Equal Opportunity Act could be strengthened to deal with this problem. The first approach would be to ensure that rejected job applicants were placed in a position where they were better able to detect and demonstrate discrimination; the second approach would be to extend the power which the Equal Opportunity Board itself has to take the initiative and undertake investigations.

The former approach would involve requiring employers to identify themselves in all job advertisements and to inform all unsuccessful applicants of the name, qualifications and experience of the successful candidate. It is the practice of the vast majority of employers to advise rejected applicants that they have been unsuccessful and in a small minority of our observations they did name the successful candidate. What we are suggesting therefore is that, in the letter advising that a job application has been unsuccessful, employers be required to name the successful candidate, cite her/his educational qualifications and give brief details of his/her recent employment experience. This would involve very little extra time and cost for employers, and it could hardly be construed as an intrusion into the privacy of successful applicants. Numerous editions of Who's Who, and similar publications around the world, are crammed with such information, which has been volunteered by those included.

If such a practice were adopted, unsuccessful applicants would be alerted, at least, to blatant cases of discrimination. On the other hand, many unfounded suspicions of discrimination would be allayed by this practice. Such a disclosure requirement would make those responsible for the hiring decision much more cautious about engaging in discriminatory behaviour, as they would realize that any applicant treated in a discriminatory fashion would now possess prima facie evidence to initiate a complaint with the Equal Opportunity Board. This suggestion, for increasing the availability of labour market information, is the logical concomitant of an Act which puts on job applicants the principal onus for the activation of investigations.

A complementary approach would be to empower the Equal Opportunity Board to conduct random audits of hiring and personnel practices. If employers were required to keep all records of job applications for a period of twelve months, and obliged to justify decisions on short-listing for interview and final choice of candidate, in the event of a random audit, it would reinforce the pressure for scrupulousness in the hiring decision, which derives from the former policy proposal.

An appropriate analogy can be drawn here with the capital market. Public corporations have various duties with respect to reporting to shareholders, potential shareholders and the business community at large. They are also subject to independent financial audit, and they are usually required to satisfy an independent commission about various aspects of their financial activities. In effect, capitalist economies provide a range of regulations and checks to protect the owners of financial capital against unscrupulous practices and guard against the waste of this resource. Therefore it seems entirely appropriate that similar protection be afforded the owners of human capital, and that steps be taken to prevent it being wasted through employers using screening devices, such as sex, for purposes unrelated to job performance.
APPENDIX
Management Accountant

A

Dear
I would like to apply for the position of with
I am 29 years old and since graduating from university where I studied accounting, finance and commercial law, I have completed my professional accounting qualifications and had experience in a number of accounting jobs.
I have had six years experience in manufacturing industry and currently I am working in the engineering sector for the Australian subsidiary of an international company, which has branches in four continents. My work entails responsibility for the company's costing system, production of monthly cost reports and analysis thereof. Also I am involved in cost budgeting and financial planning.
I am also fully familiar with the use of computers in accounting as the company's records are fully computerised, and used in the collation and analysis of costing information.

Management Accountant

B

Dear
I wish to apply for the position of advertised in the
I am a fully qualified accountant with a university degree incorporating major studies in accounting and business law. I completed my degree five years ago and since then have had a variety of accounting experiences. I included courses on electronic data processing in my degree and I have had experience with the use of computerised systems in the production of accounting information for managerial decision making.

At present I am employed by a firm in the textile industry and previously I worked in the motor vehicle industry. I am involved in a wide range of management accounting activities, such as – preparation and analysis of monthly costing statements; production of detailed budgets for sales and profit; advice on price setting.

My responsibilities include the supervision of clerical and secretarial staff.

I am twenty-eight years of age, single, and keen to extend my experience by a move to a company such as yours.
REFERENCES


